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Opening speech
"Long live URBACT"
Local Support Group (LSG) Summer University
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It is a great pleasure for me to be here with you and to open this Local Support Groups Summer University in Krakow. No decisions will be made here, nevertheless I am sure each of us present here will take home one or more new and encouraging ideas and lessons learnt from others. And I am sure they will be used in a creative way in your future activity. That is why events such as this are of great relevance and they are a living example of a truly European value added provided by URBACT. So long live URBACT!

1. Over the last decade I have participated in tens if not hundreds of meetings of different kind to discuss and find solutions to development challenges, both problems and opportunities, we European citizens face. And most of those challenges, and in particular those interesting which means difficult ones, are to be found in European towns and cities. Of course they range over the full spectrum of human behavior encompassing migration, social integration, crime, work, housing, pollution, energy, gender equality, research and innovation, transport, employment, through sanitation to financial management and banking. All of them affect us in different ways and to a differing degree every day. The challenge of today is to cope with them effectively and smartly in difficult times of unprecedented financial problems, of voraciously unsustainable financial markets, slow economic growth, increasingly difficult global environment and deep reforms of the way the European Union and in particular the Eurozone, functions.
2. This meeting allows URBACT to supply an environment and a structure in which urban professionals such as you can analyze problems affecting urban territories, identify solutions, compare strategies, see how to pool resources and measure results. And your meeting is timely as we are about to enter the last stage of preparing the next edition of cohesion policy investment in European economy. Your cooperation and networking has already achieved much and I have no doubts that you are fully aware how much remains to be done to make you future work result in tangible outcomes.

In identifying the best ways to move forward we must take into account rather hostile conditions for regional and local development. I think here of such facts as fiscal consolidation meaning national and local government drastic reductions of spending, I think here of rather uphill struggle which will be negotiating the next Multiannual Financial Framework for the post 2013 period. The negotiation will be long and arduous. So much depends on their outcome as all major sources of urban budgets have declined. They require solutions both innovative and sustainable. The funding challenge matters also for your work. I would like to share a few messages with you.

3. So a few words on the challenge of funding. You will say that cooperating and networking would not replace massive funding flows needed in cities and towns to deliver on expected changes – from quality of life to new energy schemes to social innovation. And you will be right. To find a way out of the funding challenge, we need cooperation between all levels of European governance and partners, combining different public sources and a genuine progress in public private partnership, as well as continued and more robust expansion of EIB funding at city level – all that is needed but of course these are just examples of what must be done. The role of public funding and in particular of EU budget will be crucial for triggering innovative solutions to major challenges cities face. Pre-commercial public procurement should be used more robustly to enhance innovative solutions in city infrastructure and service provision, green public procurement should become a standard. But public funding will not solve all the needs. New financial instruments and further enhancement of the use of Jessica must be considered. And I am convinced that cities are and will continue to be an investment location that with a joint effort of all partners and supporters can be easily made attractive to private investment. Again, there are numerous examples across Europe of successful work on investment attractiveness of towns and cities. Next generation of cohesion policy should look into new instruments that would generate higher leverage of European funding for the cities. To sum up my short comments on funding, let me underline that its effectiveness and efficiency, as well as respect of value for money principle, should guide the design of the future policy funding schemes.
4. You know better than I do statistics underlying the weight of urban share in major European challenges, both problems and opportunities. It is true that cities account for about two thirds of the final energy demand and generate up to 70% of all CO2 emissions. But we also know that cities have higher than average capacity to achieve energy efficient solutions as well as reaching required changes in life styles. They have higher potential to achieve social integration, improve education and enhance cultural dialogue. As homes to universities and businesses they can deliver innovation across all sectors of the economy. Urban policy must provide therefore the major part of Europe's response to the changing world.

Without doubt, the times we live in are ground breaking times. And because they are ground breaking we must be creative, more innovative and skilled in our actions. That we must be serious in our quest for excellence and efforts to hone our capacity to develop participative action planning and that we must network and strive to involve all stakeholders in the plans we draw up and implement. This is your job and your challenge.

5. Let me also mention one more specific issue in the context of both urban development and the role of URBACT and your role in particular. I dare saying that we should do more to understand the role and enhance the emergence of city brands. Most of European cities suffer from lack of positive branding. Some cities would benefit strongly from rebranding. Successful cities are those with an identified positive image and with effective policies strengthening their positive attributes. URBACT and LSGs could encourage cities to exploit

their comparative advantages and to invest in their own brands. Of course city branding is not easy and rebranding is even a greater challenge and can be painful. But there are success stories. What seems essential is social capital, shared vision, also access to funding, good policies based on partnership principle, and of course ability to communicate with the public. Again, this could be your job and your challenge.

6. URBACT is not starting from scratch. Through its history of a European urban policy tool it acted as capacity builder, strengthening exchange and networking between decision makers, practitioners and all other stakeholders involved in urban change. It has been a platform for knowledge and good practice exchange and dissemination, supporting planning and improving effectiveness of urban development policies. URBACT has strongly contributed to the emergence of European urban acquis. This traditional role of URBACT should be adjusted today to the new institutional, or if you wish methodological challenge, the next edition of urban dimension of cohesion policy will face. Today we have two strands of experience in urban policy framework – the one of Urban Initiative and the one of mainstreaming. We have a chance to pick up the best of both. Through mainstreaming the European Commission intended to take up the successful approaches to urban development and spread them and the methodological concept to cities, towns and regions across Europe, especially to the new member states but not only. I believe “the contagion effect “ of the mainstreaming has worked, even though we hoped for much more. There is more awareness and understanding of what urban challenge is about. Mainstreaming has contributed to all that. But for many issues to address, a policy tool allowing for experimental approaches, especially where multiple deprivation exists, will be the only way to go. There is therefore the need to see an active role of the European Commission to initiate and promote progress, to enter a new, often unknown territory through special initiatives. But those innovative instruments will not replace a solid mainstreamed urban dimension, will not replace the role of cities and local administration cooperation with partners and supporters across the European Union. Without doubts more local development initiatives, more global grants, new financial instruments, more urban stakeholders in management structures and more consensual work between cities and regions will be needed. URBACT as a networking platform should by all means be open to all cities and towns willing to participate. And, it should strengthen its bridging role – between focused investment through Urban initiatives and mainstreaming, between cities and towns and national and regional authorities, reinforcing the cooperation, contributing to linking better urban dimension with regional policy actors, plans and policy instruments, pushing towards closer cooperation between cities within member states. I have no doubt that URBACT is a valuable tool at hand which we should use more. What it can offer is a prerequisite for an effective urban policy that would take us faster to a more effective model for European cities.
7. Your meeting is also timely as we should move faster towards pragmatic implementation of what the new Treaty has offered to the European cohesion model – the territorial dimension of it. Territorial cohesion has become a new goal of European integration, but it is also a set of principles for harmonious

development giving all citizens no matter where they live the same opportunity to benefit from integration. But it also makes it clear that investment strategies and policies must be tailored to local specificities. That means also that every city must find its own path of sustainable, smart and inclusive development. And, what is particularly relevant in the context of your tasks, the goal of territorial cohesion makes continuous cooperation, networking and integration an indispensable element of policy design and implementation. Where development problems and opportunities are both shared and complementing each other they call for cooperation, for finding common solutions, for collaboration, for sharing experience. This way we can better use European territory as our development asset. Local identity and local community are an asset and a development potential.

8. Your meeting in Krakow gives a chance to see better the common efforts we will need in the next decade to make sure that cities play their role as engines of smart, inclusive and sustainable development of Europe and how much cooperation and networking can add to results. Your effort can generate a huge value added to the difficult process cities must embark upon which is moving beyond administrative borders towards functional territories where integrated development is the best way to go. Your role in encouraging cities, in all their forms, to develop strategies and spatial plans can contribute enormously to improving efficiency and effectiveness of all policies, not only the cohesion policy and its urban dimension. The Gödöllő Territorial Agenda 2020 can become an action plan only if all those who know and can generate change contribute, and if URBACT and its Local Supporters Groups are on board.
9. Here in Krakow, you will look at the future work of URBACT and your role as LSG in the context of the future urban dimension of cohesion policy and its general framework. I believe that URBACT could become more involved in providing support for integrated activities within urban areas in order to facilitate abandoning of sectoral approach to urban programs and projects. There is still far too much sectoral thinking and acting. The European Commission will have to come up with more specific guidelines on this approach and URBACT could be its dissemination and promoting tool. But URBACT and LSG should take it as their mission.
10. We all know that there are very few cases of delegated responsibility for managing programs to city level. On this a bold step forward is needed and I can only hope that we will manage to get this time around adequate provisions in the regulatory framework. Again, URBACT could be of help in preparing local authorities to take over this responsibility. Erasmus for local authorities could help build capacity in this context. I truly hope that URBACT will bring life to Erasmus.
11. To conclude, it is true that recent years have seen growing intensity of cooperation among member states in the area of urban development. Territorial Agenda 2020 opens new avenues in this respect. All well known principles of urban development have been incorporated in the Agenda. Also,

working group on urban dimension of cohesion policy has been established by the Polish presidency. I trust that the Presidency of my home country will be a milestone in taking us forward towards new pragmatic approach to urban development and policy. We have a chance and, indeed, we are moving towards more clear involvement of the EU level in urban policy making through cohesion policy with a stronger involvement of the cities themselves in both policy formulation and implementation. We must continue to work on how to improve mechanisms allowing to combine various funds and in particular to encourage the use of the mechanism of global grants more effectively without isolating urban problems from their wider context.

12. And a few words on the new URBACT. Let me say that, as usual, we need here both some continuation and some change. I would say that existing elements of URBACT as a city networking program should be maintained. But of course we must take into account different needs of cities and towns across Europe and the future structure of the urban dimension within cohesion policy framework. One can imagine several networking options. But what is clearly needed is a much stronger opening of cities towards cooperation with national and regional authorities and partners, towards what I would call a context within which urban development program will exist. So I hope that while preserving what is best in URBACT, you will be also open and bold to go an extra mile.